Bray v. The Hospital Center At Orange, 93-ERA-13 (ALJ May 11, 1993)

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U.S. Department of Labor

Office of Administrative Law Judges 800 K Street, N.W. Washington, D.C 20001-8002

DATE MAY 11, 1993 CASE NO.: 93-ERA-13

In the Matter of

MARGARET BRAY Complainant

V.

THE HOSPITAL CENTER AT ORANGE Repondent

ORDER RECOMMENDING APPROVAL OF SETTLEMENT AND DISMISSAL OF CASE

This matter arises under the provisions of the Energy Reorganization Act of 1974, 42 U.S.C. 5851, and a request for a hearing on a complaint governed by the provisions of 29 CFR Part 24.

The Hospital Center at Orange filed a timely request for a hearing on an adverse decision by the District Director on a complaint filed by Margaret Bray. The case was set down for trial. Shortly before the trial date, the attorneys for parties requested a cancellation of the hearing on ground that they had reached a settlement on the disputed questions. They have filed a settlement agreement with attached mutual general releases signed by Bray, and the Senior Vice President for Administration on behalf of the Hospital.

A review of the settlement agreement between the parties must include a determination that the settlement is fair, adequate and reasonable. Bunn v. MMR/Foley, 89-ERA-5 (Sec'y Aug. 2, 1989) (order to submit settlement agreement).

In return for certain payments made by the hospital, Bray agreed to withdraw this complaint with prejudice, and to ask

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approval of all of the terms of the settlement by the Secretary of Labor. Bray agreed to leave her employment with the hospital. Provisions are made in the agreement to pay her for all of her sick leave, vacation and free days, and to continue her medical and dental insurance coverage. She will receive a lump sum cash payment to cover alleged personal and emotional injuries.

The agreement provides for the conduct of the parties toward each other in respect to future dealings in respect of references for Bray, unemployment compensation claims, and future suits arising prior to the date of the settlement agreement. They executed a general release running to each other for all disputed matters arising out of events occurring prior to the date of the settlement agreement.

Each of the parties to this case was represented by an attorney, who actively participated in the negotiation and eventual settlement of the matter. It can be assumed that the lawyers sought and achieved a fair, adequate, and reasonable resolution of the dispute. In my view, the agreement has those qualities: it is an arms-length transaction without undue imposition of one upon the other; on its face, the cash payment is substantial, and, therefore, adequate; and, the settlement appears to be a reasonable resolution of the dispute.

RECOMMENDATION

It is recommended that the settlement agreement of the parties, including general releases, be approved, and that the case be dismissed with prejudice,

GEORGE A. FATH Administrative Law Judge